

Feature films are exempted from excise duty w.e.f. 20.3.90.

*Collections of Customs duty and Direct Taxes including income tax, are not maintained trade-wise.*

[Translation]

### Loans to Farmers

7112. SHRI GOVINDRAO NIKAM: Will the Minister of FINANCE be pleased to state:

(a) the amount of loans granted to farmers be nationalised bank during the last three years during the last three years, year-wise;

(b) the rate of interest at which these

loans were given;

(c) whether the Government propose to reduce the rate of interest on such loans;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) The compilation and collection of these figures is a time consuming process. The figures are available, as of now, only upto September, 1989. The amount of outstanding advances for agriculture sector given by public sector banks as on the last Friday of June, 1987, June 1988 and September 1989 (latest available) is given below:-

(Rs. in crores)

Year	Amount Outstanding
June, 1987	9123.04
June, 1988	11147.13
September, 1989	14981.54

(b) The rates of interest on short-term and long-term agricultural loans to farmers with effect from 2.9.1990 are as follows:

Size of loan	Rate of interest (% per annum)	
	Short-term	Long-term
a) Upto Rs.7,500/-	10.0	10.0
b) Over Rs.7,500/- and upto Rs.15,000/-	11.5	11.5
c) Over Rs.15,000/- and upto Rs.25,000/-	12.0	12.0
d) Over Rs.25,000/- and upto Rs.50,000/-	14.0	13.0

<i>Size of loan</i>	<i>Rate of interest (% per annum)</i>	
	<i>Short-term</i>	<i>Long-term</i>
e) Over Rs.50,000/- and upto Rs. 2 lakhs	15.0	14.0
f) Over Rs. 2 lakhs	18.5	14.0
	<i>(Minimum)</i>	

(c) to (e). Reserve bank of India (RBI) has reported that banks raise their resources mainly by way of deposits on which they have to pay an interest and the cost of the fund to banks, including the cost of the establishment, is already high. In case the rates of interest are reduced the profitability of the banks, which is under great strain will be further adversely affected. In view of this RBI is not in favour of allowing any reduction in the rate of interest.

[English]

#### **Fera Cases Against Multinational Companies.**

7113. SHRI GURUDAS KAMAT: Will the Minister of FINANCE be pleased to State:

(a) whether number of cases are pending against several multinational companies under the Foreign Exchange Regulation Act, 1973;

(b) if so, the details thereof along with the names of such companies; and

(c) the action taken or proposed to be taken by the Government to expedite the disposal of these case?

THE MINISTER OF STATE IN THE

MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) to (c). Information is begin collected and will be laid on the table of the House.

#### **Investment by International Finance Corporations in Shipping Industry**

7114. SHRI GURUDAS KAMAT: Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal from international finance corporations to invest in the expansion of Shipping Industry; and

(b) if so, the details thereof.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) and (b). No specific proposal has been made by any international finance corporation for investment in the expansion of the Shipping Industry. The Shipping Credit and Investment Company of India Ltd., (SCICI) has, however, reported that the International Finance Corporation, Washington, an affiliate of the World Bank, has contracted a loan of US \$ 15 Million and subscription to partly convertible debentures of US \$ 1.7 Million for M/s. Varun Shipping Company, a company in the private sector, for financing its expansion programme.